

**Fundamentals:**

Hong Kong stocks fell for a third day to a six-week low on concerns a robust US labour market will restrain the Federal Reserve from more interest-rate cuts this year, while China struggles to end sticky deflation in the economy.

The Hang Seng Index slipped 0.9 per cent to 19,279.84 on Wednesday, a level not seen since November 26. The benchmark has surrendered most of the 28 per cent rally driven by Beijing's stimulus blitz on September 24. The Tech Index tumbled 1.1 per cent while the Shanghai Composite Index rose less than 0.1 per cent.

Smartphone and car maker Xiaomi slumped 4 per cent to HK\$32.80 and China Shenhua Energy fell 2.8 per cent to HK\$31.45, while Techtronic sank 4.7 per cent to HK\$96.80. Tencent tumbled 2.7 per cent to HK\$369.20, adding to a 7.3 per cent loss on Tuesday after being designated with dozens of firms as "Chinese military companies operating in the US."

A US government report on Tuesday showed job openings unexpectedly rose in November to a six-month high while hiring softened, suggesting America's labour market conditions would not pressure the Fed to cut rates by as many times as predicted by Wall Street economists for this year.

"Stocks are now under pressure because of waning expectations about Fed rate cuts," said Yan Zhaojun, an analyst at Zhongtai Securities. "The market is also being held back by weak corporate earnings and the uncertainty of the size of China's incremental fiscal stimulus."

The Hang Seng Index surged to as high as 23,099 on October 7 after China unveiled a stimulus package to rescue its stock and property markets on September 24. The index has had a shaky start to 2025 amid worries about fresh US trade tariffs. Donald Trump, who will be inaugurated on January 20, has stoked fears about inflation and geopolitical risks.

Meanwhile, producer prices in mainland China probably fell 2.4 per cent in December, according to consensus among economists tracked by Bloomberg after a statistics bureau report on Thursday. It would mark a 27-month streak of deflation. Consumer prices are forecast to increase by 0.1 per cent.

BrainAurora Medical Technology, a provider of medical diagnostics and therapies, rose as much as 8.4 per cent to HK\$3.49 before closing 3.4 per cent higher at HK\$3.33. The company made its debut after completing Hong Kong's first initial public offering of the year.

Other major Asian markets were mixed. Japan's Nikkei 225 slipped 0.3 per cent, while South Korea's Kospi Index advanced 1.2 per cent and Australia's S&P/ASX 200 lost 0.8 per cent.

(Source: South China Morning Post)

**Mini Hang Seng Futures Daily Chart**



**Mini Hang Seng China Enterprise Futures Daily Chart**



Contracts	Chg	Sett	High	Low
H. SENG FUT JAN 25	-189	19301	19575	19136
H. SENG FUT FEB 25	-176	19349	19623	19200
H. SENG FUT MAR 25	-185	19336	19609	19200
H. SENG FUT JUN 25	-187	19257	19519	19119
MINI H. SENG FUT JAN 25	-189	19301	19574	19137
MINI H. SENG FUT FEB 25	-176	19349	19624	19192
MINI H. SENG FUT MAR 25	-185	19336	19612	19170
MINI H. SENG FUT JUN 25	-187	19257	19512	19100
HSCEI FUT JAN 25	-60	6993	7096	6937
HSCEI FUT FEB 25	-56	7015	7110	6966
HSCEI FUT MAR 25	-57	7039	7119	6987
HSCEI FUT JUN 25	-56	7019	7108	6990
MINI HSCEI FUT JAN 25	-60	6993	7095	6937
MINI HSCEI FUT FEB 25	-56	7015	7113	6960
MINI HSCEI FUT MAR 25	-57	7039	7135	6993
MINI HSCEI FUT JUN 25	-56	7019	7110	6970

Major HSI Constituent Stocks	Close	Change	High	Low
*Alia Group Ltd	53.8	-0.85	54.9	53.55
**Tencent Holdings Ltd	369.2	-10.4	379.8	365.6
*HSBC Holdings PLC	75.95	0.65	75.95	74.75
**China Construction Bank Corp	6.03	0.01	6.07	5.98
**Ping An Insurance Group	43.05	-0.2	43.55	42.6
**Meituan	146.7	-2	149.1	143.9
*Hong Kong Exchanges & Clearing Ltd	284	-0.2	285.4	280.2
**Alibaba Group Holdings Ltd	80.9	-0.5	82.25	80.4
**Xiaomi Corp	32.8	-1.35	34.15	32.2
**ICBC	4.94	0.03	5.02	4.88

Major HSCEI Constituent Stocks	Close	Change	High	Low
*Wuxi Biologics Cayman Inc	16.48	0.3	16.72	16.18
**China Mobile Ltd	75.3	-0.3	75.8	74.95
*Bank of China Ltd	3.93	0.01	3.98	3.91
*Techtronic Industries Co Ltd	96.8	-4.8	100.9	96.4
*CK Hutchison Holdings Ltd	40.55	-0.5	41.1	40.4
*Link REIT	32.35	-0.45	32.9	32.3
*CLP Holding Ltd	63.5	-0.2	63.9	63.25
**Geely Automobile Holdings Ltd	13.98	0	13.98	13.68
**CNOOC Ltd	19.02	0.04	19.2	18.96
**ANTA Sports Products Ltd	75.25	-1.35	77.2	74.75

Global Equity Indices	Close	Change	High	Low
Hang Seng	19279.84	-167.74	19483.59	19111.54
HSCEI	6990.65	-59.06	7076.62	6930.02
Shanghai Comp Index	3230.17	0.524	3246.291	3175.725
Nikkei 225	39981.1	-102.24	40105.72	39705.81
KOSPI	2521.05	28.95	2526.77	2481.25
S&P/ASX200	8349.15	64.05	8370.7	8262.3
DJIA	42597.1	68.75	42650.23	42327.79
S&P 500	5903.82	-5.21	5927.89	5874.78
NASDAQ	19469.3	-20.39	19544.5	19308.54
DAX	20329.9	-10.63	20480.49	20242.56
CAC	7452.42	-0.49	7496.51	7396.68
FTSE100	8251.03	5.75	8267.38	8189.5

**Technical Analysis**

**Mini Hang Seng**

1st Resistance: 19591  
 2nd Resistance: 19880  
 1st Support: 19011  
 2nd Support: 18722  
 MACD: -95.717  
 MACD DIFF: -68.9179  
 RSI: 37.72882

**Mini Hang Seng China Enterprise**

1st Resistance: 7098  
 2nd Resistance: 7203  
 1st Support: 6888  
 2nd Support: 6783  
 MACD: -21.018  
 MACD DIFF: -29.023  
 RSI: 39.65443

Hong Kong Economic Releases	Period	Survey	Actual	Prior	Revised	
01/02/2025 16:30	Retail Sales Volume YoY	Nov	-5.40%	-8.30%	-4.90%	-4.80%
01/02/2025 16:30	Retail Sales Value YoY	Nov	-3.40%	-7.30%	-2.90%	-2.80%
01/06/2025 08:30	S&P Global Hong Kong PMI	Dec	--	51.1	51.2	--
01/20/2025 16:30	Unemployment Rate SA	Dec	--	--	3.10%	--
01/21/2025 16:30	CPI Composite YoY	Dec	--	--	1.40%	--
01/28/2025 16:30	Money Supply M1 HKD YoY	Dec	--	--	1.60%	--
01/28/2025 16:30	Money Supply M2 HKD YoY	Dec	--	--	2.30%	--
01/28/2025 16:30	Money Supply M3 HKD YoY	Dec	--	--	2.40%	--

China Economic Releases	Period	Survey	Actual	Prior	Revised	
01/02/2025 09:45	Caixin China PMI Mfg	Dec	51.7	50.5	51.5	--
01/06/2025 09:45	Caixin China PMI Composite	Dec	--	51.4	52.3	--
01/06/2025 09:45	Caixin China PMI Services	Dec	51.4	52.2	51.5	--
01/09/2025 09:30	CPI YoY	Dec	0.10%	--	0.20%	--
01/09/2025 09:30	PPI YoY	Dec	-2.40%	--	-2.50%	--
01/09/2025 01:15	Money Supply M2 YoY	Dec	7.20%	--	7.10%	--
01/09/2025 01:15	Money Supply M1 YoY	Dec	--	--	-3.70%	--
01/09/2025 01:15	Money Supply M0 YoY	Dec	--	--	12.70%	--
01/17/2025 10:00	GDP YoY	4Q	--	--	4.60%	--
01/17/2025 10:00	GDP YTD YoY	4Q	--	--	4.80%	--
01/17/2025 10:00	GDP SA QoQ	4Q	--	--	0.90%	--
01/17/2025 10:00	Retail Sales YoY	Dec	--	--	3.00%	--
01/17/2025 10:00	Retail Sales YTD YoY	Dec	--	--	3.50%	--
01/27/2025 09:30	Composite PMI	Jan	--	--	52.2	--
01/27/2025 09:30	Manufacturing PMI	Jan	--	--	50.1	--

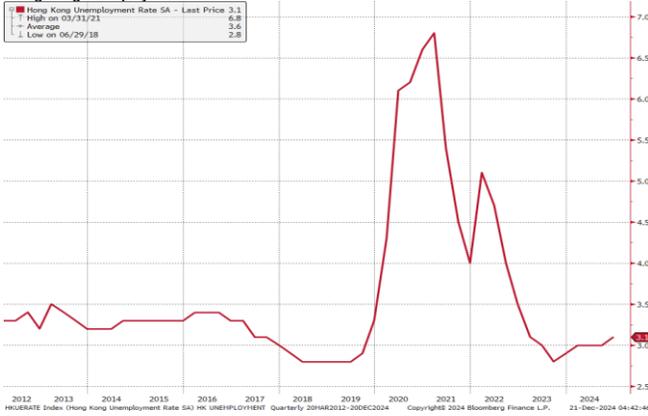
### Hong Kong GDP Y on Y



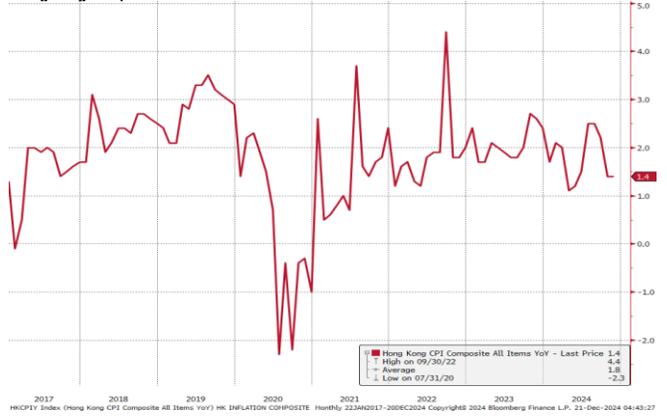
### Hong Kong Base Interest Rate



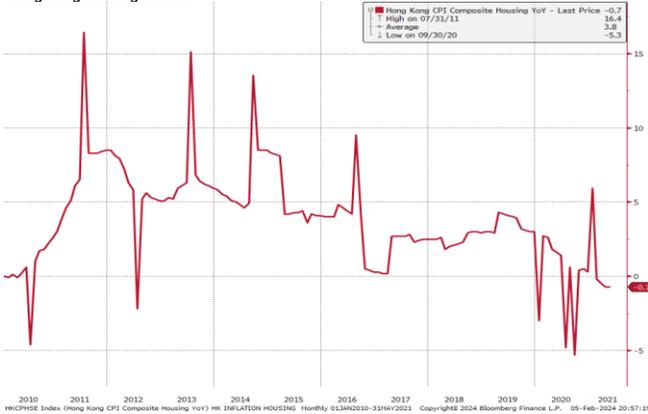
### Hong Kong Unemployment Rate



### Hong Kong Composite Inflation



### Hong Kong Housing Inflation



### Hong Kong Retail Sale Value Y on Y %



(Source: Bloomberg)

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